



STATE OF MISSOURI  
**DEPARTMENT OF NATURAL RESOURCES**

Matt Blunt, Governor • Doyle Childers, Director

[www.dnr.mo.gov](http://www.dnr.mo.gov)

**MEMORANDUM**

Date: October 28, 2005

To: Land Reclamation Commission

From: Mike Larsen, Chief; Projects and Inspection Unit (*original signed by Mike Larsen*)

Subject: Coal Bond Forfeiture Status Update

Since the last update provided to the commission on September 22, 2005, the bond forfeiture staff has continued to conduct on the ground inspections and evaluations of bond forfeiture sites. The focus of these inspections was to determine the conditions present and to decide what remaining work was necessary in order prepare them for presentation to the commission for release of any further liability on the part of the state.

In addition, the staff has been working with contractors in order to complete needed repairs and maintenance at various forfeiture sites around the state. The following is a brief summary for the commission's information as to the work progressing and/or completed since the September meeting:

Riedel Energy, Inc. – Monroe and Ralls counties:

Awarded contract for rock placement (erosion control) and pond repairs on permit # 1989-03 and permit #1987-02. Work is pending at the time of this memo due to ground conditions.

Site visit with landowner, Mr. Bruce Stuart, to identify his areas of concern on property owned within permit #1990-03. These concerns will be addressed when work begins in general at the mine site.

North American Resources Silver Creek Mine – Randolph county

Field inspections were conducted in September and October in order to prepare the site for commission consideration of liability release. Minor work identified as needed included a small area of a surface water diversion requiring seeding, fertilization, and mulching. Work completed and vegetation is in place.

#### Universal Coal and Energy Co., Inc. - Mine #51 – Randolph county

Minor earthwork completed in order to repair erosional areas. Seeding and mulching of repaired areas completed. Vegetation in place. Some minor rock placement completed on specific areas of erosion. Pond #003 repaired with placement of new principle spillway pipe.

#### Universal Coal and Energy Co., Inc. - Mine #7 – Howard county

Work completed with respect to the reseeding of a limited area that contained thin vegetation. This work involved liming, importation of topsoil, fertilization and seeding and mulching of repaired area. Some minor rock placement for erosion control and overall liming of pastureland has been completed within the remaining portion of this minesite.

#### Universal Coal and Energy Co., Inc. – Mine #4 – Howard county

This minesite has received the greatest amount of attention over the past two months. Extensive work has been completed with respect to erosion control at this mine. Earthwork and rock placement have been ongoing during the months of September and October in order to prepare the northern portion of this mine for liability release consideration by the commission during January, 2006. In addition, a new spillway pipe has been placed in a pond and liming of pasturelands has been completed.

#### Universal Coal and Energy Co., Inc. – Howard county processing plant – Howard county

Meeting with landowner occurred following the September commission meeting to determine landowner needs. All work is minor in nature and will be attended to over the coming weeks in order to finalize and present this site for the commission's consideration of liability release at the January, 2006 meeting.

#### Midwest Coal – Tiger Mine – Bates county

Bond release inspection conducted in October as a result of the submission of a Phase I and Complete bond/liability release application from Lyndon Property Insurance Company, surety for the now defunct Midwest Coal, LLC. This release presentation will be made later on at today's meeting under a separate agenda item.

#### Burbridge Coal Co. – Monroe county

Met with landowner of the remaining parcel at this mine site. The landowner has two significant gullies which are in need of repair and also a pond discharge tube which requires repair. This work will exceed the limit of an under \$25, 000.00 contract so will need to go through the formal bidding process which will take several months. The plans are being drawn up and the contract for repairs is expected to be awarded in the spring of 2006.

Missouri Mining, Inc. – Mines #17 and #14 North and South

Site inspections conducted to determine the status of the above three mine sites and to evaluate these sites for presentation to the commission for a liability release. All work appears to be complete and presentation will be made at a future meeting of the commission to request release.